



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/488,297	01/20/2000	Michael A. Keresman III	PRA 2 0001	4241

7590 01/12/2005

John P Cornely
Fay Sharpe Fagan Minnich & McKee LLP
Seventh Floor
1100 Superior Avenue
Cleveland, OH 44114-2518

EXAMINER

SNAPP, SANDRA S

ART UNIT	PAPER NUMBER
----------	--------------

2915

DATE MAILED: 01/12/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/488,297

Applicant(s)

KERESMAN III ET AL.

Examiner

Sandra Snapp

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 October 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 23-42 is/are pending in the application.
- 4a) Of the above claim(s) 25 and 37 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 23-24, 26-36 & 38-42 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Response to Amendment

This Office Action is in response to the Amendment filed 10-12-04. Currently, claims 23-24, 26-36, & 38-42 are pending in the application. Claims 25 & 37 were cancelled with the Amendment. New claims 41-42 were added with the Amendment.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 41 and 42 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 41 and 42 are directed to a "system" however, the claim language can be interpreted to be an apparatus or a method. Clarification is required as to whether the Applicant is claiming an apparatus or a method in claims 41-42.

Claim Rejections - 35 USC § 102

Claims 23-28, 31-34 and 36-40 remain and are finally rejected under 35 U.S.C. 102(b) as being anticipated by the Shavit et al. patent (US 4,799,156).

The Shavit patent discloses:

A method of processing transaction carried out over a network between account holders and participating entities, the method comprising:

Art Unit: 3624

Receiving a purchase request of a buyer from a participating entity indicating that the buyer desires to carry out a transaction with the entity, the transaction including the buyer purchasing one or more selected items (col. 6, lines 36-39), authenticating the buyer as an account holder (col. 9, line 60 through col. 10, line 15), establishing transaction fulfillment data, the transaction fulfillment data indicating a delivery destination for the selected items (col. 14, lines 28-33), wherein establishing the transaction fulfillment data includes using a previously obtained destination as the delivery destination for the selected items when an alternate destination is not obtained (col. 6, lines 52-68), communicating the transaction fulfillment data to the participating entity (col. 14, lines 10-27), receiving transaction details from the participating entity, the transaction details including a cost for the selected items (col. 13, lines 35-50), authorizing completion of the transaction and establishing an authorization code therefor (col. 13, lines 35-50), and communicating the authorization code for the transaction to the participating entity (col. 13, lines 35-50), (claims 23, 25, 26, 31, 32 and 41);

Obtaining an alternate destination from the buyer (col. 6, lines 52-68), the alternate destination being different from the previously obtained destination (col. 6, lines 52-68), transmitting a security question to the buyer (col. 10, lines 1-45), receiving a response to the security question from the buyer (col. 10, lines 1-45), and using the alternate destination as the delivery destination for the selected items when the response to the security question is accurate (col. 10, lines 1-45) (claim 24);

obtaining restriction instructions from account holders (col. 6, lines 52-68) (claim 25 and see above);

Art Unit: 3624

wherein the delivery destination is a non-identifying destination such that anonymity of the buyer is maintained with respect to the participating entity (col. 6, lines 52-68) (claim 26 and see above);

The restriction instructions block authorizing the completion of transactions with participating entities identified in the restriction instructions (col. 6, lines 52-68) (claim 27);

The restriction instructions block authorizing the completion of recurring transactions which are not separately participated in by the account holder from whom the restriction instructions were obtained (col. 6, lines 52-68) (claim 28);

transmitting the transaction details of the authenticated account holder directly to a funding source which determines if the account holder has one of sufficient funds on deposit with the funding source or sufficient credit available through the funding source to cover the cost of the purchases (col. 26, line 29 through col. 27, line 30) (claim 31 and see above);

receiving transaction details including one or more terms for the purchasing the selected items (col. 13, lines 35-50), and obtaining settlement information from the participating entity, the settlement information including the authorization code and transaction details for the completed transaction (col. 13, lines 35-50) (claim 32 and see above);

obtaining the settlement information includes automatically capturing the settlement information from the participating entity upon an indication of delivery of the selected item (col. 13, lines 35-50) (claim 33);

the step of authenticating precedes the step of receiving a request indicating a desire to carry out a transaction (col. 10, lines 1-45) (claim 34); and

Art Unit: 3624

the transactions are at least partially carried out over a public network (col. 5, lines 15-38) (claims 36-40 and 42).

Claim Rejections - 35 USC § 103

Claims 29 and 30 remain and are finally rejected under 35 U.S.C. 103(a) as being unpatentable over the Shavit patent, as stated above, in view of the Sandber-Diment patent (US 5,826,245).

The Shavit patent does not disclose:

The authorizing completion of the transaction includes comparing a cost of the selected items to a threshold such that if the cost is less than or equal to the threshold authorization is given and if the cost is greater than the threshold authorization is denied (claim 29); and

The threshold represents an amount selected from a group consisting of funds on deposit for the account holder, credit available to the account holder, and a value set via the obtained restriction instructions (claim 30).

The Sandber-Diment patent teaches:

The authorizing completion of the transaction includes comparing a cost of the selected items to a threshold such that if the cost is less than or equal to the threshold authorization is given and if the cost is greater than the threshold authorization is denied (col. 3, lines 55-67) (claim 29); and

The threshold represents an amount selected from a group consisting of funds on deposit for the account holder, credit available to the account holder, and a value set via the obtained restriction instructions (col. 3, lines 55-67) (claim 30).

Art Unit: 3624

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Shavit patent with the teachings of the Sandber-Diment patent so as to reduce improper payments and provide for a more secure system.

Claim 35 is rejected under 35 U.S.C. 103(a) as being unpatentable over the Shavit patent, as stated above, in view of the Weiss patent (US 5,657,388).

The Shavit patent discloses all the element of the claimed invention except for:

The step of authenticating including synchronizing a token with a periodically changing non-predictable code, providing the account holder with the token, the token displaying the periodically changing non-predictable code, receiving a code communicated by the buyer, and comparing the received code with the periodically changing non-predictable code to authenticate the buyer as the account holder when the received code matches the periodically changing non-predictable code (claim 35).

The Weiss patent teaches:

The step of authenticating including synchronizing a token with a periodically changing non-predictable code (col. 1, line 58 through col. 2, line 17), providing the account holder with the token (), the token displaying the periodically changing non-predictable code (col. 1, line 58 through col. 2, line 17), receiving a code communicated by the buyer (col. 1, line 58 through col. 2, line 17), and comparing the received code with the periodically changing non-predictable code to authenticate the buyer as the account holder when the received code matches the periodically changing non-predictable code (col. 1, line 58 through col. 2, line 17) (claim 35).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Shavit system to include the Weiss teachings so as to make the overall system more secure and therefor less prone to fraud and deceit.

Response to Arguments

Applicant's arguments filed 10-12-04 have been fully considered but they are not persuasive. The Applicant states that the transaction details in Shavit are not negotiated between the participants themselves. The Examiner disagrees. Shavit specifically states, "the distributor may offer its customers an interactive, convenient and consistent way to place orders or conduct any other business with the distributor" (col. 6, lines 36-52). Such passage explicitly discloses interaction between the users of the system.

The Applicant asserts that Shavit fails to disclose or teach the step of "receiving a purchase request of a buyer from the participating entity indicating that the buyer desires to carry out a transaction with the entity, the transaction including the buyer purchasing one or more selected items." The Examiner interprets Shavit as teaching such step. Shavit states that the system allows for customers to place orders or conduct any other business. The Examiner interprets the order of the Shavit system to be the equivalent of the purchase request of the present invention (col. 6, lines 36-39).

The Applicant states that the step of "authenticating the buyer as the financial account holder" is not taught or shown by Shavit. The Examiner understands Shavit to teach such a limitation. Shavit teaches security measures are taken that are controlled by a set of rules. It is

Art Unit: 3624

the Examiner's position that such security measures is a form of authenticating the user (col. 9, line 60 through col. 10, line 15).

The Applicant asserts that Shavit fails to teach the step of establishing transaction fulfillment data, the transaction fulfillment data includes using a previously obtained destination as the delivery destination for the selected items when an alternate destination is not obtained. The Examiner disagrees and understands Shavit to teach such step. Shavit discloses delivery of an order to a number of different locations (col. 14, lines 28-33).

The Applicant states that Shavit does not teach "receiving transaction details from the participating entity, said transaction details including a cost for the selected items; authorizing completion of the transaction and establishing an authorization code therefor; and, communicating the authorization code for the transaction to the participating entity." However, the Examiner disagrees. Shavit teaches pricing information being received as well as an agreement number that is the equivalent of an authorization code of the present invention (col. 13, lines 35-50).

The Applicant asserts that Shavit lacks "obtaining restriction instructions from account holders." The Examiner takes the position that Shavit does indeed teach such a limitation. The Shavit patent teaches closing all the details of an urgent shipment which the Examiner considers to be the equivalent of obtaining restriction instructions, since such instructions would be encompassed in the 'closing details' of Shavit (col. 6, lines 52-68).

The Applicant states that Shavit fails to teach "authorizing completion of the transaction and establishing an authorization code to include transmitting the transaction details of the authenticated account holder directly to a funding source which determines if the account holder

Art Unit: 3624

has one of sufficient funds on deposit with the funding source or sufficient credit available through the funding source to cover the cost of the purchase; and receiving the authorization code from the funding source.” The Shavit patent does teach such a step in col. 26, line 29 through col. 27, line 30 wherein it states, “if however payment is authorized, a logical operation 356 is performed to determine whether the financial institution is specified.” The authorization of the payment is authorizing completion of the transaction. Shavit also teaches the user may provide direct payment to the sellers, or a buyer can instruct his bank to pay a bill. It is inherent that the bank will not pay the bill if the buyer does not have sufficient funds to pay the bill. Such is the equivalent of transmitting the transaction details directly to the funding source.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

Art Unit: 3624

however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sandra Snapp whose telephone number is 703-305-6940. The examiner can normally be reached on Mon.-Thurs.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

SS



SANDRA S. SNAPP
PATENT EXAMINER
GROUP 3600

VINCENT MILLIN
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600

